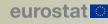




INSTITUTO NACIONAL DE ESTATÍSTICA STATISTICS PORTUGAL



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EUROPEAN CONFERENCE ON QUALITY IN OFFICIAL STATISTICS 2024 ESTORIL - PORTUGAL



Dimitrios Chionas¹ Alexandre Depire¹ Pau Gayà Riera¹ Ioannis Sopranidis¹

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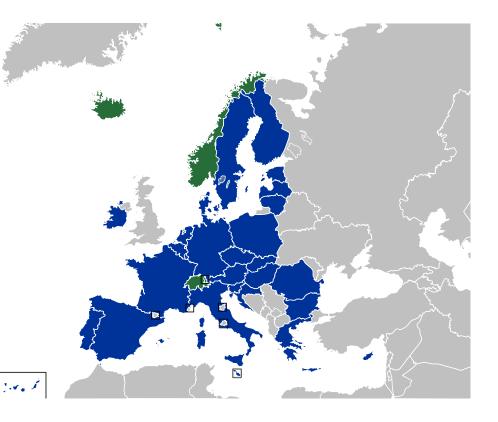


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¹European Commission (ESTAT – Unit G.1), Luxembourg

Introduction

- Globalisation has a significant impact on the global economy, with multinational enterprise groups playing a vital role.
- The EuroGroups Register is a critical tool for analysing crossborder transactions.
- Managed by Eurostat, the EGR consolidates data from NSIs, commercial data providers, and public sources to create a comprehensive register of MNE groups.
- The EGR aims to provide a complete and correct economic structure of MNE groups operating in the EU-EFTA territory. The microdata (for statistical purposes) is given to NSIs, NCBs and the ECB, with a total of more than 500 users each year



The history of the EGR

2006

2003

The EGR project originated in 2003 in response to the need for better quality statistics on MNE activities.

2015

The transition to the EGR 2.0 occurred in 2015, with EU and EFTA countries becoming the main data providers.

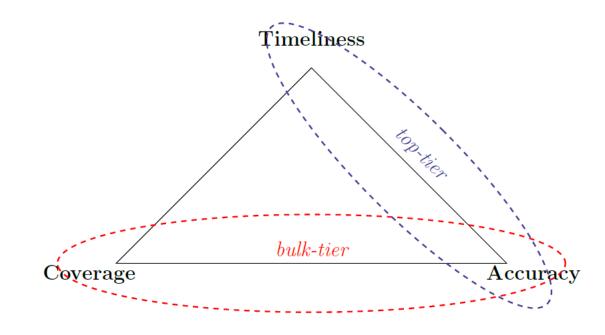
Eurostat launched the EGR pilot project in 2006, leading to the establishment of the EGR 1.0 in 2008.

Information for around 146,000 MNE groups, over 1 million enterprises and almost 1.5 million legal entities.



The New EGR Process and Products

- The EGR is the authoritative source for business statistics requiring cross-border information coordination related to MNE groups.
- Eurostat and NSIs have collaborated to enhance the EGR's process and IT system to meet regulatory requirements and user needs.
- The EGR now operates on a two-tier approach, focusing on the most complex MNE groups (top-tier) while automating processes for others (bulk-tier), ensuring cost-effectiveness and accuracy.

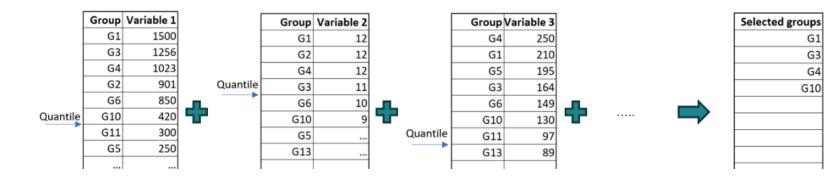


Profiling and High Quality of Top Tier MNE Groups

Profiling analyses the legal, economic, and operational structure of MNE groups for accurate delineation. The selection of profiled groups are based on the Complexity and Statistical Impact (CSI):

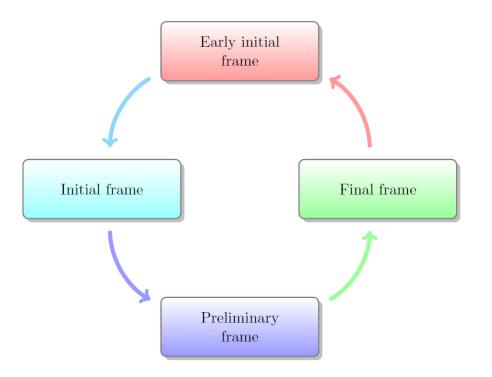
- Number of legal units.
- Number of different economic activities.
- Number of cross border relations.

- Number of employees in the EU and EFTA countries.
- Number of employees in the largest unit.
- Objective: select ~ 1 600 MNE groups; which account +50 % of the (EU-EFTA) employment in EGR
- Number of ownership layers.



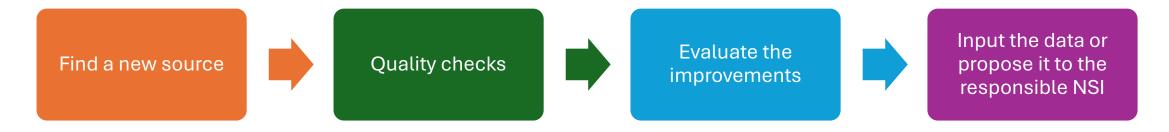
New EGR Timeliness

- The first EGR frame available was, until now, at T + 11 months → introduction of the Early Initial Frame (EIF)* at T + 4 months as a starting point.
- EIF allows for earlier data incorporation, shortening the production timeline and facilitating an event-driven model.
- Further enhancements aim to achieve real-time data updates, ensuring up-to-date information for statistical users.



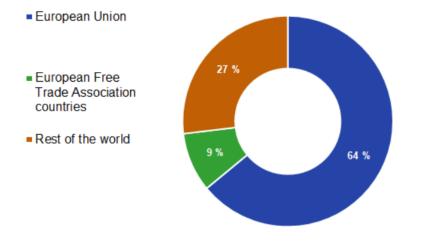
Completeness and Accuracy. The Use of New Data

- Data completeness and accuracy are essential to ensure the EGR quality and usefulness. Eurostat collaborates with NSIs to validate data and address inconsistencies.
- Still, some relevant economic information is missing in the EGR. The integration of new data sources can fill some of these gaps:
 - Fill missing variables at MNE group level.
 - Improve delineation of the MNE groups.
 - Supporting the monitoring of changes or modifications in the MNE groups.



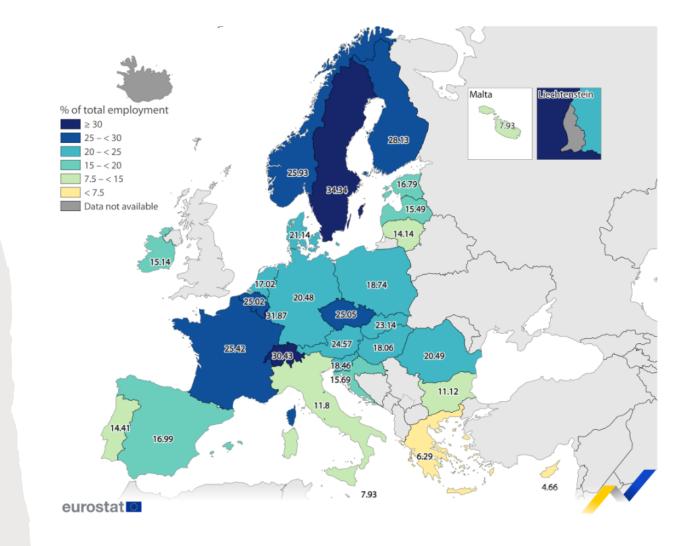
Dissemination of Statistics on MNE Groups from EGR

- EGR data is disseminated to stakeholders through experimental statistics tables (5 tables in Eurobase now) and articles in the statistics explained series (4 main articles, regularly updated, using EGR data).
- Collaboration with other Directorates at the European Commission is key to ensure that the EGR data meets the needs of policymakers and supports decision-making.

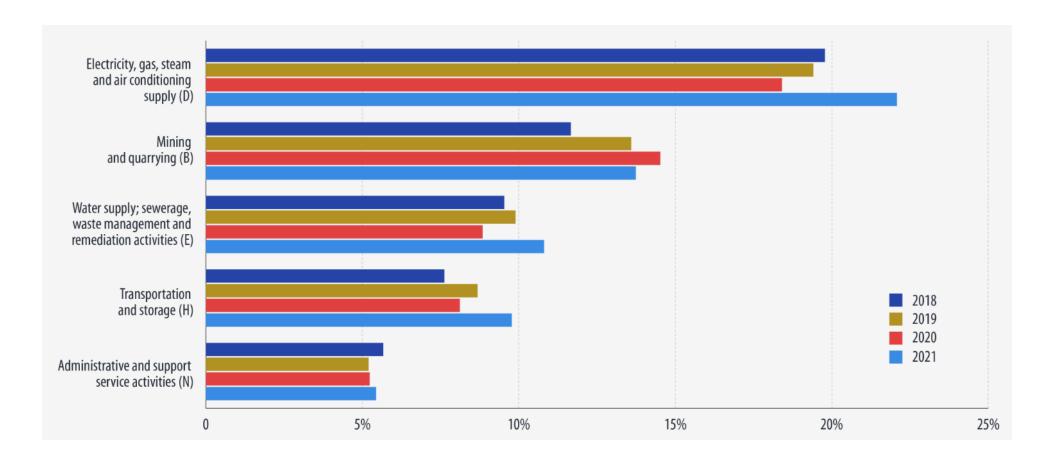


MNE groups in the EGR by controlling region

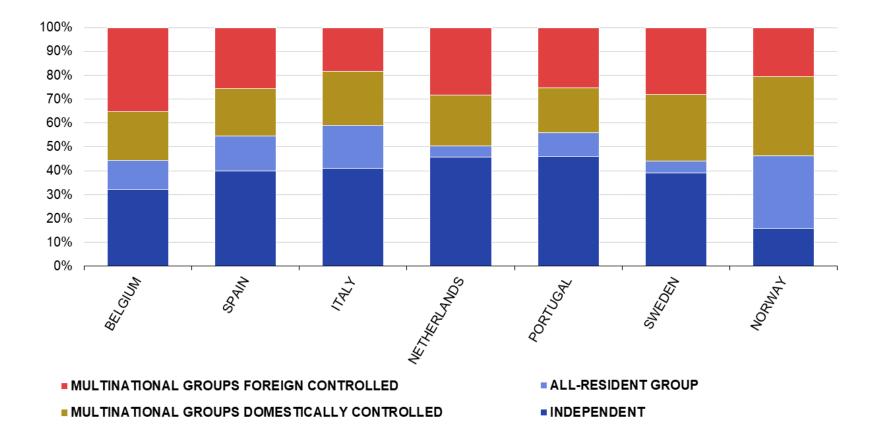
Share of people employed in large MNE groups



Top 5 economic activities with the highest employment concentration



Share of value added by type of control of an enterprise



Conclusions: the Future of Globalisation Statistics

- The EGR serves as a cornerstone for globalisation statistics, providing accurate and comprehensive data on MNE groups.
- The EGR is a trusted source of information, supporting informed decision-making and fostering economic understanding in an increasingly interconnected world.
- Continued collaboration and innovation are essential for meeting evolving user demands and ensuring the relevance of the EGR data add and additional statistics on MNEs.



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